
Investor's Watchdog
PMB #352, 1000 Whitlock Avenue
Suite 320
Marietta, GA 30064

Pat Huddleston
The Huddleston Law Firm
707 Whitlock Avenue
Suite B-21
Marietta, GA

Date: 10/30/2008

Regarding: FTC v. Direct Connection Consulting, Inc., et al.
Invoice No: 00002

Services Rendered

Date	Staff	Description	Hours	Rate	Charges
6/16/2008	EH	Transfer and review customer calls information from email to thumb drive; load information to workstation for updating; telephone conference with Matthew Russell at 19 Communications regarding update on case; update task list priorities and email to Receiver; review Blue Cross/ Blue Shield health insurance status with CE; receive and review email from JC regarding tasks; send email reply; file discovery documents; receive and review emails from MF regarding remote access to Kim Jenkins computer; install remote login software on KJ computer; telephone conference with MF regarding remote access; receive and review emails from CE and JC regarding COBRA notices for terminated employees; send email reply with instructions for edits; re-save first draft of Interim Report without formatting; draft and send email to team with updated task list and unformatted Interim Report draft for editing; send email to MF and CE regarding access to reports on KJ desktop; edit Receiver's draft of First Interim Report; discuss task update with CE and prioritize; telephone conference with JC	3.90	\$105.00	\$409.50

and MH to arrange staffing for tomorrow; receive and review emails from Craig Rickard at Process America regarding merchant account data; draft and send email reply; telephone conference with Robert Singleton regarding access to QuickBooks information for Digicom; telephone conference PMH for password information; leave voicemail; receive and review email from JC regarding updated contact information; send email reply; receive and review email from Little & Co. counsel regarding documentation requested; send email reply with updated request for documents

6/16/2008	MF	Review QuickBooks file for Direct Connection, Choice Advantage and Ebor; Look for merchant connection between Leisure Choice, Savers Choice, Choice Advantage and Direct Connection	3.90	\$145.00	\$565.50
6/17/2008	EH	Review financial statements produced by principals; review task list priorities; send email to Regie Campbell regarding call center expertise; send email to John Van Slooten at VVS Capital; send email to PMH regarding access to QuickBooks data on Kim Jenkins' computer; receive and review email reply; receive and review emails from JC regarding Digicom lease obligation; send email replies; receive and review emails from JC regarding gas shutoff notice; send email replies; receive and review emails from JC regarding West Virginia hangar rental; forward to CE for further investigation; receive and review emails from CE and JC regarding FCC complaint; send email reply and forward document to CE for follow up; receive and review email from JC regarding Encore Marketing documents produced; draft and send email to group regarding Digicom office space; meet with Receiver to discuss Cynergy documentation; Receive and review email from Steve Sandler regarding National Merchant Center documentation requested; draft and	2.90	\$105.00	\$304.50

send email reply; receive and review email from CE regarding ADP and PayChex returned deposits; sent email reply; receive and review email from MS regarding additional payroll checks to be delivered to DC Roswell office; receive and review email from MS regarding letter from Charles Medlin; receive and review emails from JC and Receiver regarding empty voicemail box; send email reply to group; receive and review email from MS, JC, and Receiver regarding SunTrust pending transfers; receive and review email from Receiver regarding Digicom space and contents removal; draft and send email to team regarding Wednesday staffing; receive and review email from Jennifer McBrierty of Cornerstone Marketing regarding documentation requested; send email reply; telephone conference with JC to discuss next day's tasks

6/17/2008	MF	Review personal financial Statement for J. Winter to look for assets, identified and unidentified; review SmartLinx report for additional assets; meet with EH to review information gathered, discuss what to prioritize, put on hold and look at in more detail	4.50	\$145.00	\$652.50
6/18/2008	EH	Review Borenstein/Barfield email exchanges for leads on truck and Cynergy; send email reply to PMH regarding password updates in Summary Sheet; receive and review email from MS regarding faxes received; draft and send email reply to group regarding bank accounts; receive and review email reply from Receiver; receive and review email response from JC regarding task list; send email reply with updates; send email to JC and CE regarding Cynergy search; telephone conference with CE to discuss chargeback notices and Digicom mail; exchange emails with JC regarding task updates; receive and review email from JC regarding voicemails logged June 17; receive and review email from MF regarding documentation request to accountants; edit draft and send email	3.50	\$105.00	\$367.50

reply; receive and review emails from JC regarding FTC data received; edit draft of First Interim Report; receive and review email from CE regarding Iron Mountain; send email response; receive and review email response from Steve Sandler regarding NMC documentation requested; telephone conference with Regie Campbell for referral to call center subject matter expert; telephone conference with CE to clarify status of COBRA issues; receive download of voicemail and live call data; receive and review email from Receiver regarding defense request for defendant IRA account documentation; assist JC in locating IRA account statements and Winter credit report; send email to Receiver with draft updates

6/18/2008	MF	Work on contacting CPA firms regarding information they may have on entities involved in case; analyze numbers provided by United Marketing; review new personal financial statements and tax returns, received on 6/17/08 from defense counsel, to determine what additional information is needed, CPA firms to contact, and begin tying bank account information provided with information previously collected	4.40	\$145.00	\$638.00
6/19/2008	EH	Send email response to MS regarding Warren Hudson SmartLinx; download and review Customer Service Voicemail and Live call data; exchange emails with Receiver regarding vendor data for First Interim Report; meet with Jeff Smith and Peter Galfas for voicemail recordings copy process; review merchant processor data with JC; perform statistical analysis on voicemail and live Customer Service Calls received; exchange update emails with Receiver	2.10	\$105.00	\$220.50
6/19/2008	EH	Receive and review email from Receiver regarding Interim Report review; receive and review email from Receiver regarding agent compensation	4.50	\$105.00	\$472.50

confirmation; draft and send email reply to team; telephone conference with Receiver regarding David Harris and Jeff Smith contact to arrange database copy; receive and review email from Jennifer McBrierty with documentation requested; receive and review email from Receiver regarding employee interviews; forward to JC for follow up; discuss QuickBooks progress and employee record search with MF; review Customer Service area progress with CM; telephone conference with David Harris and Jeff Smith to arrange appointment with Peter Galfas; send email update to Receiver; update task list priorities and print and distribute to team; receive and review email from JC regarding IRA account info; edit email and reply to JC for forwarding to Receiver; draft and send email to team regarding today's priorities and capacity; receive and review voicemail messages; telephone conference with CE regarding updated task list; telephone conference with Jeff Smith to confirm afternoon appointment with Peter Galfas and David Harris; telephone conference with David Harris to confirm afternoon appointment with Peter Galfas and Jeff Smith; discuss Nicole Hemmings phone interview with JC; send email to Receiver regarding agent compensation and product mix; telephone conference with David Harris regarding appointment time; telephone conference with Jeff Smith to adjust time; email agent compensation info to Receiver; receive and review task list email response from CE; receive and review email from MS regarding mail received; send email response with follow up instructions; send follow up email to MS regarding Hudson SmartLinx; receive National Merchant Center FedEx of chargeback notices; forward to JC for processing; review Customer Service priorities with JC and CM; receive and review email response from MS regarding Hudson SmartLinx; exchange emails with Receiver regarding tomorrow's staffing needs

6/19/2008	MF	Locate various document bank statements; compare employee list between DCC and Digicom to look for employees that may have been fired from Digicom (rogue employees) and hired by DCC; look for bank statements for LOC on the Destin property to determine if payments were made out of DCC bank account	3.50	\$145.00	\$507.50
6/20/2008	EH	Review task list status with team and assign priorities; send email to team with updated task list; receive and review email from Receiver with latest draft of Interim Report for editing; edit second draft of First Interim Report; receive and review email from JC with edits of Interim Report; receive and review email from MS regarding assigned tasks; receive and review email from JC regarding revised Georgia Department of Labor letter; draft and send email reply to group; receive and review email from MS with fax from Charles Medlin regarding IRA accounts; receive and review email response from JC regarding Georgia Department of Labor letter; receive and review email response from CE regarding Georgia Department of Labor letter; send edited draft of Interim Report to Receiver; receive and review email from Receiver regarding changing voicemail message; telephone conference with Receiver regarding logistical adjustments; discuss possible asset liquidation scenarios with JC; telephone conference with Tut Smith at Clear Harbor for input on Call Center business; leave voicemail; send email follow up to Tut Smith at Clear Harbor; review Warren Hudson SmartLinx report; receive and review email from PMH regarding voicemail recorder; draft and send email reply; receive and review email from CE regarding Cbeyond request for authorization; draft and send email reply; receive and review email from JC regarding interview letter to Dwight Roussell; send email reply; receive and review voicemail from	4.50	\$105.00	\$472.50

Matthew Russell at 19
 Communications; telephone conference with Matthew Russell at 19
 Communications regarding claims process; discuss processor document search with JC; receive and review email from Jennifer McBrierty at Cornerstone Marketing with attached documents; send email reply; send email to Receiver with updated task list and request for conference call

6/20/2008	MF	Trace money coming into Ebor back to source; determine "sales" income came from Direct Connection, Digicom, and other related entities	6.10	\$145.00	\$884.50
6/23/2008	EH	Receive and review email response from defense counsel regarding Borenstein access to Roswell office; forward email notice to Receiver and team; telephone conference with VISA legal department regarding acquirer Operating Regulations; email copy of Order to Kathy Potter at VISA; receive and review email response from Kathy Potter at VISA; telephone conference with Kathy Potter at VISA to follow up; review documents produced by Cornerstone Marketing; prepare and forward to MT for Bates numbering; extract and save Cornerstone files with DC and DG order information for Method and United Marketing Group; review United Marketing Group documents produced for comparison; review Encore documents produced and analyze cancellation data for comparison	2.80	\$105.00	\$294.00
6/23/2008	EH	Receive and review email from CE regarding Iron Mountain; send email reply; receive and review email from CE regarding JoAnn Winter check from Carl Hobbs; draft and send email reply to team; receive and review email from JC regarding task list update; review task list and update for team meeting; receive and review email reply from Receiver regarding Carl Hobbs check; receive and review email from MF regarding Hobbs check; telephone	3.70	\$105.00	\$388.50

conference with Tut Smith at Clear Harbor; team conference call to establish goals and assignments for the week; update task list for meeting items and send email distribution to team; receive and review email response from PMH regarding Carl Hobbs; receive and review email from Litle & Co. counsel regarding documents requested; telephone conference with Tut Smith at Clear Harbor; receive and review voicemail from Tut Smith at Clear Harbor; send email to Tut Smith regarding afternoon call; receive and review email from CE regarding revised Georgia Department of Labor letter; telephone conference with defense counsel regarding request for office access and flight manuals/records; receive and review email reply from PMH regarding auction company conference call appointment; receive and review email request from defense counsel for access to Roswell office; forward email to Receiver and team; discuss response with Receiver; draft and send email response to David Harris regarding defendant access; receive and review email response from JC regarding defendant access; discuss aircraft insurance renewal with CE and Receiver; send email reply to PMH and JC regarding Friday conference call; send email request to team for Michelle Hosin contact info; telephone conference with Tut Smith of Clear Harbor regarding call center business; send follow up email to group with feedback; receive and review email from MF regarding schedule in Roswell office; send email reply; receive and review email from defense counsel regarding Borenstein access to office; send email reply

6/23/2008 MF

Continue tracing "sales" recorded in Ebor back to source; staff meeting regarding additional investigation; trace transactions on Bank of America LOC statements to DCC QuickBooks file

6.50

\$145.00

\$942.50

6/24/2008	EH	Email Asset Summary Sheet request to group; receive and review email from MT regarding Bates numbers for Cornerstone Marketing documents produced; telephone conference with JC to review yesterday's progress in Roswell office; discuss updated progress on tasks with CE; update task list priorities; receive and review email from CE regarding Michelle Hosin contact information; send email to JC regarding Dwight Roussell letter; receive and review email reply from JC; receive and review email from CE regarding proposed voicemail script; telephone conference with MF to discuss progress on tasks; receive and review email from Matthew Russell from 19 Communications regarding deactivation file; edit CE voicemail script draft and email to CE; discuss credit card processor documentation requests with Receiver; draft subpoena attachment for sending to processors; forward to MS and MT for printing, signing, and mailing; send email reply to CE regarding aircraft insurance coverage; receive and review email from CE regarding aircraft insurance; draft and send reply to CE and Receiver; receive and review email response from Little & Co. counsel regarding subpoena; travel to Roswell DC office; telephone conference with Jonathan Olsson regarding Little subpoena; consult with MF regarding findings on Receivership Defendants' income statements after adjustments based on cancellation history; discuss progress on drafting motion to expand receivership to include Ebor Management with JC; telephone conference with defense counsel regarding late arrival of Borenstein for office access; host Borenstein office access visit; receive and review email from MS regarding subpoena requests; send email response; send email response to Matthew Russell at 19 Communications; review and photograph materials requested for removal by Borenstein; receive FedEx	5.10	\$105.00	\$535.50
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delivery of merchant chargebacks and forward to Customer Service for processing; review recast of adjusted accounting with MF prior to distribution; review Excursion ownership transactions with MF

6/24/2008	EH	Prepare Litle & Co. documents produced for Bates numbering and forward to MT; file email correspondence in appropriate folders for easier retrieval; telephone conference with Charmaine at American Express regarding reserve account and request for documentation	1.50	\$105.00	\$157.50
6/24/2008	MF	Analyze 2008 financial statements for Direct Connection, Digicom, Choice Advantage, and Choice Programs to determine profitability of company with an 80% reduction in income and expenses related to the sale of long-distance service; research line of credit associated with Destin Condo to determine if property can be claimed as a receivership asset	4.10	\$145.00	\$594.50
6/25/2008	EH	Receive and review email from CE regarding aircraft insurance quote; telephone conference with CE to discuss timing of insurance binder; receive and review email from CE regarding additional vendors; send email reply; telephone conference with Erin Wells at Snellings Walter Insurance regarding aircraft quote; receive LEAF notice of acceleration from UPS; telephone conference with CE for follow up; fax acceleration notice to CE and send email request; review Borenstein emails for Barfield documents; print pages for file and review; update task list; receive and review email response from CE regarding LEAF letter; telephone conference with Erin Wells at Snellings Walters to discuss aircraft insurance quote; receive and review four email responses from MT regarding Litle document Bates numbers; review LEAF lease agreement and send email response to CE for follow up; receive	3.80	\$105.00	\$399.00

and review FedEx delivery confirmation email regarding subpoena to Steven Sandler for National Merchant Center; receive and review FedEx delivery confirmation email regarding subpoena to Process America; receive and review email from CE regarding Digicom lease; send email reply; send email to MS regarding PO Box number; receive and review email response from MS regarding PO Box; send email reply; forward PayChex file and miscellaneous documents to CM for delivery to HLF; review US Bancorp financing agreement; send email response to CE for follow up; telephone conference with Alex Miller at VISA to follow up; telephone conference with CE to update progress on task list; review accounting progress with MF

6/25/2008	MF	Continue research on LOC secured by condo used for Direct Connection; begin research connecting Barfield to Digicom	7.50	\$145.00	\$1,087.50
6/26/2008	EH	Receive and review email from Matthew Russell at 19 Communications regarding invoices sent; receive and review email from CE regarding aircraft insurance binder; receive and review email from MS regarding PO Box number; forward to CE for follow-up; receive and review email from CE regarding AMEX documents requested; send email reply with follow up request; receive and review mail from CE regarding aircraft insurance; send email reply to confirm records maintenance for checks written; alert JC to availability of DC AMEX statement with Winter personal charges; telephone conference with Matthew Russell at 19 Communications; update Asset Summary sheets; receive and review email from CE regarding contact with TouchStar; telephone Alex Miller at VISA; receive and review email from MF regarding Digicom accounting summary; edit Digicom accounting summary and send email reply to MF; telephone conference with Paul Hankins at Chase Paymentech to follow up on	3.50	\$105.00	\$367.50

subpoena delivery; telephone conference with Steven Sandler to follow up on National Merchant Center subpoena delivery; telephone conference with Jonathon Olsson regarding Little & Co. subpoena delivery; receive and review voicemail from Paul Hankins at Chase Paymentech; telephone conference with Paul Hankins at Chase Paymentech to discuss subpoena request; telephone conference with CE to discuss PDK hangar lease violation notice; receive and review email from CE regarding PDK hangar notice; telephone conference with David Harris regarding LEAF notice; discuss PDK hangar issues with JC; receive and review email recap from JC regarding hangar issues; send reply to group with requests for information; receive and review email from MF regarding updated task list; send email reply; update notes in Asset Summary sheets and task list; discuss Direct Connection/Digicom issues with MF

6/26/2008	MF	Continue looking at the Barfield connection to defendant companies; renew emails to determine why Digicom, Choice Programs, and Choice Advantage was set up	7.20	\$145.00	\$1,044.00
6/27/2008	EH	Receive and review email responses from MS and CE regarding PDK hangars; send email reply to CE regarding Flying Dog; receive email response; receive and review emails from Matthew Russell regarding 19 Communications invoices; search Walton County records for Winter townhome address; view assessor values and map location; telephone conference with Receiver to discuss NDA language for credit card processors documentation requests; receive and review email from Receiver regarding proposed NDA language; send email to Jonathan Olsson at Goodwin Proctor regarding conference call to discuss Little & Co. documentation requested; send email	4.50	\$105.00	\$472.50

with NDA language to Paul Hankins at Chase Paymentech; receive and review email from CE with proposed language for Digicom lease termination; review and edit termination letter and email back to CE; receive and review email from CE regarding Excursion insurance payment; send email reply; draft and send email to PMH regarding Borenstein emails; receive certified letter notice from Cbeyond regarding cancellation of services; fax Cbeyond documents to CE for review; telephone conference with CE regarding Excursion insurance payment; receive and review email from Jonathan Olsson at Goodwin Proctor regarding recent sales data received by Litle; prepare documents for Bates-numbering and forward to MT for processing; receive and review email from JC regarding aircraft hangars; send email reply questions; discuss Litle conference call agenda with Receiver; telephone conference with Receiver and Litle counsel regarding subpoena request; review progress on tasks with Receiver; fax and email documents to PMH for review; review progress in Customer Service area and establish remaining tasks; receive and review email from JC with update on hangar status; telephone conferences with Receiver and CE to discuss Roswell office rent; receive and review email response from CE regarding Dennis Tyner; send email to MS regarding SmartLinx reports procedure

6/27/2008	EH	Receive and review voicemail from Brittany at Process America regarding my call to Craig Rickard; return telephone call to Brittany at Process America; receive and review email response from Receiver regarding Winter townhome; receive and review email from JC regarding hangar contents; send email reply; receive and review email responses from Receiver and CE regarding hangar contents; telephone Rita Hawthorne at Connell & Manziek regarding townhome valuation; telephone conference with Hal Goldflam	2.00	\$105.00	\$210.00
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regarding National Merchant Center receivership; receive and review email from Susanne Geraghty at Goodwin Proctor regarding NDA for Litle & Co; telephone conference with Susanne Geraghty regarding NDA; send email follow up to Receiver; telephone conference with Hal Goldflam regarding NMC subpoena request; telephone conference with Craig Rickard at Process America regarding merchant agreement; arrange appointment for telephone conference on June 30; receive and review email from Hal Goldflam with Order; review NMC Order

6/30/2008	EH	Receive and review email response from CE regarding Roswell office lease termination letter; send email reply	0.00	\$105.00	No Charge
			0.10		No Charge
6/30/2008	EH	Telephone conference with Jonathan Olsson at Goodwin Proctor to follow up on NDA sent by Susanne Geraghty	0.10	\$105.00	\$10.50
6/30/2008	EH	Receive and review email from Paul Hankins at Chase Paymentech; prepare and forward email and attachments to MT for Bates-numbering	0.30	\$105.00	\$31.50
6/30/2008	EH	Send email to Receiver regarding response to Goodwin Proctor's NDA; receive and review email response from Receiver	0.00	\$105.00	No Charge
			0.20		No Charge
6/30/2008	EH	Review documents produced by Chase Paymentech; draft and send email response for clarification	1.30	\$105.00	\$136.50
6/30/2008	EH	Draft and send email reply to Susanne Geraghty at Goodwin Proctor regarding draft confidentiality agreement for Litle	0.50	\$105.00	\$52.50
6/30/2008	EH	Receive and review voicemail from Kate Taylor at VISA USA; research agreement reference	0.20	\$105.00	\$21.00
6/30/2008	EH	Update Task list	0.10	\$105.00	\$10.50
6/30/2008	EH	Draft and send email to CE with	0.00	\$105.00	No Charge

		instructions for drafting Roswell Office lease termination letter	0.20		No Charge
6/30/2008	EH	Check on progress in Customer Service area	0.00	\$105.00	No Charge
			0.10		No Charge
6/30/2008	EH	Review National Merchant Center Appointment of Receiver filing; research internet for further documentation; send email to Receiver with request for response to subpoena continuance	0.90	\$105.00	\$94.50
6/30/2008	EH	Telephone conference with Rita Hawthorne at Connell & Manziek regarding Destin townhome valuation; send email update to Receiver	0.30	\$105.00	\$31.50
6/30/2008	EH	Telephone conference with Brittany from Process America regarding postponing call with Craig Rickard	0.10	\$105.00	\$10.50
6/30/2008	EH	Receive and review email response from CE regarding Roswell office lease termination letter; draft and send response with prioritized task list	0.00	\$105.00	No Charge
			0.30		No Charge
6/30/2008	EH	Telephone conference with Kate Taylor at VISA USA regarding acquiror liability	0.10	\$105.00	\$10.50
6/30/2008	EH	Receive and review voicemail from JC regarding 19 Communications customer data; forward email with data requested; receive email response with additional request; forward additional email data	0.00	\$105.00	No Charge
			0.40		No Charge
6/30/2008	EH	Receive and review email from MS with documents received; save Paymentech document to electronic file and forward to MT for Bates numbering; send email reply to group with location of saved document	0.00	\$105.00	No Charge
			0.30		No Charge
6/30/2008	EH	Receive and review email from JC regarding hangar contents at PDK; search Borenstein and Winter emails for tail number references; send email	0.00	\$105.00	No Charge

		reply to group; receive and review email response from CE regarding updated plane details; send email reply	0.70		No Charge
6/30/2008	EH	Telephone conference with Kate Taylor at VISA USA regarding processor liability; send email follow up to confirm membership of DC processors	0.40	\$105.00	\$42.00
6/30/2008	EH	Search Winter emails for references to processors and other assets	0.80	\$105.00	\$84.00
6/30/2008	EH	Receive and review email from CE regarding MF location; send email reply	0.00	\$105.00	No Charge
			0.20		No Charge
6/30/2008	EH	Receive and review email from CE regarding TouchStar communication; draft and send email reply	0.20	\$105.00	\$21.00
6/30/2008	EH	Receive and review email from CE on updated task list; draft and send email reply for update on DC Roswell office lease termination letter	0.20	\$105.00	\$21.00
6/30/2008	EH	Receive and review email from CE regarding Pine Tree and possible deposit of equipment sale proceeds	0.00	\$105.00	No Charge
			0.10		No Charge
6/30/2008	EH	Receive and review email update from CE regarding aircraft; send email reply with suggested next steps	0.00	\$105.00	No Charge
			0.20		No Charge
6/30/2008	EH	Telephone Craig Rickard at Process America; leave message with Brittany; telephone conference with Craig Rickard at Process America to discuss documents requested	0.40	\$105.00	\$42.00
6/30/2008	EH	Telephone conference with Receiver to update on status of documents requested from processors and timing of filing Interim Report and subsequent action items; send follow up email with proposed Customer Service script	0.50	\$105.00	\$52.50
6/30/2008	EH	Receive and review email from Receiver regarding May 2008 data from 19	0.00	\$105.00	No Charge

		Communications; research and send email reply	0.40		No Charge
6/30/2008	EH	Distribute received and sent emails to appropriate folders for ease of retrieval	0.00	\$105.00	No Charge
			0.20		No Charge
6/30/2008	EH	Receive and review email question from Receiver regarding statistical analysis of live customer service calls; research and send email reply	0.00	\$105.00	No Charge
			0.30		No Charge
6/30/2008	EH	Receive and review email question from Receiver regarding date of live customer calls; research and send email reply	0.00	\$105.00	No Charge
			0.10		No Charge
6/30/2008	EH	Receive and review email response from Receiver regarding proposed Customer Service voicemail script; send email reply; receive and review email responses from Receiver; send email confirmation	0.00	\$105.00	No Charge
			0.30		No Charge
6/30/2008	EH	Receive and review email response from Paul Hankins at Chase Paymentech regarding processor liability questions; draft and send email reply for further clarification	0.00	\$105.00	No Charge
			0.70		No Charge
6/30/2008	EH	Receive and review email responses from MT regarding Litle document Bates numbers	0.20	\$105.00	\$21.00
7/01/2008	EH	Telephone conference with JC to locate Mantra film documents and contact information	0.00	\$105.00	No Charge
			0.10		No Charge
7/01/2008	EH	Locate pre-scripts information and forward to CE for input; receive and review email from CE regarding pre-scripts sent to Receiver; send follow up email to Receiver to clarify usage; receive and review follow up email from Receiver	0.30	\$105.00	\$31.50

7/01/2008	EH	Receive and review emails from CE and Receiver regarding Winter boat details; receive and review email from MF confirming length	0.00	\$105.00	No Charge
			0.20		No Charge
7/01/2008	EH	Receive and review email response from CE regarding Encore SmartLinx report; send email reply for further investigation; forward email to Receiver	0.00	\$105.00	No Charge
			0.20		No Charge
7/01/2008	EH	Update notes on processor conversations and email exchanges	0.50	\$105.00	\$52.50
7/01/2008	EH	Review and edit third draft of First Interim Report	1.50	\$105.00	\$157.50
7/01/2008	EH	Telephone conference with Susanne Geraghty and Jonathan Olsson regarding Litle & Co proposal regarding merchant reserve account and subpoena request	0.20	\$105.00	\$21.00
7/01/2008	EH	Telephone conference with Receiver to notify of Litle & Co. reserve account and subpoena request	0.00	\$105.00	No Charge
			0.10		No Charge
7/01/2008	EH	Receive and review email response from CE regarding customer service voicemail script	0.00	\$105.00	No Charge
			0.10		No Charge
7/01/2008	EH	Discuss latest leads on assets and Interim Report needs with CE; forward email requesting SmartLinx report for Encore	0.30	\$105.00	\$31.50
7/01/2008	EH	Receive and review email from Receiver regarding DCC ownership questions; draft reply and forward to MF for confirmation	0.00	\$105.00	No Charge
			0.40		No Charge
7/01/2008	EH	Receive and review email from Jonathan Olsson at Goodwin Proctor regarding proposed resolution to subpoena documentation requested; draft and forward email to Receiver with points to consider	0.30	\$105.00	\$31.50

7/01/2008	EH	Receive and review email response from MF regarding DCC ownership	0.00	\$105.00	No Charge
			0.10		No Charge
7/01/2008	EH	Receive and review email reply from Receiver regarding conflicting DCC ownership information; research and send reply email	0.00	\$105.00	No Charge
			0.40		No Charge
7/01/2008	EH	Receive and review three email replies from MT regarding Bates numbers for Chase Paymentech documents produced	0.20	\$105.00	\$21.00
7/01/2008	EH	Receive and review email from Receiver regarding report punch list; assign tasks and send email to group	0.40	\$105.00	\$42.00
7/01/2008	EH	Receive and review email reply from MF confirming DCC ownership details	0.10	\$105.00	\$10.50
7/01/2008	EH	Receive and review email response from JC regarding assigned tasks; send email reply; receive and review email response from Receiver	0.00	\$105.00	No Charge
			0.20		No Charge
7/01/2008	EH	Receive and review email response questions from JC; draft and send email reply with suggestions for Warren Hudson interview; receive and review email response from JC with Warren Hudson responses to interview; receive and review email response from Receiver regarding interview results	0.00	\$105.00	No Charge
			0.40		No Charge
7/01/2008	EH	Receive and review email from JC with Mantra Films contact info; input into Asset Summary sheet; send email to JC regarding Mantra Films and Method Films; receive and review email response from JC	0.00	\$105.00	No Charge
			0.30		No Charge
7/01/2008	EH	Discuss live call and voicemail data with MA; request download of most recent data for review	0.20	\$105.00	\$21.00

7/01/2008	EH	Draft and send email to Receiver regarding format of cancellation data preferred and availability; receive and review email response from Receiver; research chargeback data log; send email reply	0.00	\$105.00	No Charge
			1.00		No Charge
7/01/2008	EH	Receive FedEx of chargeback notices from National Merchant Center; forward to MA for processing; receive updated copy of call logs for review	0.30	\$105.00	\$31.50
7/01/2008	EH	Telephone conference with JC regarding mailbox key access; telephone conference with MS to discuss billing tasks	0.00	\$105.00	No Charge
			0.20		No Charge
7/01/2008	EH	Receive and review email from MS regarding bank account information for Interim Report	0.00	\$105.00	No Charge
			0.10		No Charge
7/01/2008	EH	Receive and review email from David Harris at Bovis Kyle & Burch regarding appointment for Peter Galfas; send email reply	0.20	\$105.00	\$21.00
7/01/2008	EH	Receive and review email from MF regarding DC and DG payments to Borenstein and Ebor; send reply email to group	0.00	\$105.00	No Charge
			0.30		No Charge
7/01/2008	EH	Collate call log data and sort to derive figures for Interim Report; exchange emails with Receiver regarding progress and final figures	6.00	\$105.00	\$630.00
7/01/2008	EH	Coordinate customer service access to voicemail	0.50	\$105.00	\$52.50
7/01/2008	MF	Create spreadsheet detailing flow of money from DCC and Digicom to Ebor and Borenstein	6.00	\$145.00	\$870.00
7/02/2008	EH	Receive and review email from CE regarding SunTrust Bank exhibit document; forward to JC with reply	0.00	\$105.00	No Charge

			0.10		No Charge
7/02/2008	EH	Receive and review emails from Receiver regarding agent compensation; forward to JC for feedback; locate compensation guideline document in office; draft and send email replies	0.50	\$105.00	\$52.50
7/02/2008	EH	Fax MF affidavit to HLF; copy Compensation Guidelines document for file	0.00	\$105.00	No Charge
			0.10		No Charge
7/02/2008	EH	Telephone conference with MS regarding MF affidavit	0.00	\$105.00	No Charge
			0.10		No Charge
7/02/2008	EH	Collect mail for sorting and distribution	0.00	\$105.00	No Charge
			0.10		No Charge
7/02/2008	EH	Send email reply to David Harris at Bovis Kyle & Burch regarding Peter Galfas' access to DC Roswell office	0.10	\$105.00	\$10.50
7/02/2008	EH	Receive and review email response from MF regarding 2004 Borenstein negative profit contribution to DC	0.00	\$105.00	No Charge
			0.10		No Charge
7/02/2008	EH	Research and respond to email from Receiver regarding money flow for products sold by DC	0.30	\$105.00	\$31.50
7/02/2008	EH	Receive and review email response from JC regarding Encore Marketing sales start date	0.10	\$105.00	\$10.50
7/02/2008	EH	Edit third draft of Interim Report; save and email to Receiver for review; exchange emails with Receiver and team to clarify various aspects of the Report; telephone conferences with MS to coordinate printing of edited draft and with JC to discuss agent compensation and vendor details; coordinate delivery of draft and exhibits to Receiver for review	2.60	\$105.00	\$273.00
7/02/2008	EH	Receive and review email from CE with information on Gwinnett County hangar leases	0.00	\$105.00	No Charge

			0.10		No Charge
7/02/2008	EH	Receive and review email from JC regarding SunTrust Release letter; send email reply	0.00	\$105.00	No Charge
			0.10		No Charge
7/02/2008	EH	Receive and review email from JC regarding Mantra Films contact	0.00	\$105.00	No Charge
			0.10		No Charge
7/02/2008	EH	Receive and review follow up email from Receiver regarding agent compensation; receive and review email response from JC; send email reply to both with follow up suggestions; receive and review email replies	0.40	\$105.00	\$42.00
7/02/2008	EH	Meet with Peter Galfas to retrieve hard drive and review belongings in server room	0.50	\$105.00	\$52.50
7/02/2008	EH	Receive and review email from CE regarding American Reading Club's connection with DC; forward to Receiver for further review	0.00	\$105.00	No Charge
			0.20		No Charge
7/02/2008	EH	Send email to CE with request for Roswell office lease termination letter; receive and review email reply from CE; send email reply to confirm timing and delivery methods; telephone conference with CE to discuss change to Interim Report and lease strategy	0.00	\$105.00	\$0.00
			0.50		No Charge
7/02/2008	EH	Receive and review email from CE regarding health insurance coverage through July	0.00	\$105.00	No Charge
			0.10		No Charge
7/02/2008	EH	Receive and review email from CE regarding Digicom landlord attorney call	0.00	\$105.00	No Charge
			0.10		No Charge
7/02/2008	EH	Receive and review email from CE with copy of Roswell office lease termination letter	0.00	\$105.00	No Charge
			0.10		No Charge
7/02/2008	EH	Receive and review email from CE with	0.00	\$105.00	No Charge

		contact information for Touchstar	0.10		No Charge
7/02/2008	EH	Receive and review email from MS regarding filing of Report and motions	0.00	\$105.00	No Charge
			0.10		No Charge
7/02/2008	EH	Search Kim Jenkins' email files for documents for asset identification	0.40	\$105.00	\$42.00
7/02/2008	EH	Record new voicemail greeting for Customer Service area; edit and save voicemail script; send notification email	0.40	\$105.00	\$42.00
7/02/2008	MF	Sift through files for prior year tax returns for all parties; create spreadsheet detailing Ebor's revenue stream and where it came from starting in 2001; copy DCC organization files and payroll reports for Winter and Borenstein	7.50	\$145.00	\$1,087.50
7/02/2008	EH	Receive and review email response from MF regarding Bates number for Chase Paymentech document	0.00	\$105.00	No Charge
			0.10		No Charge
7/03/2008	EH	Update task list with priority items and email to Receiver for review	0.30	\$105.00	\$31.50
7/03/2008	EH	Discuss updated task list objectives with MF	0.00	\$105.00	No Charge
			0.10		No Charge
7/03/2008	EH	Draft and send email response to Hal Golflam at Frandzel Robins regarding subpoena deadline extension for National Merchant Center	0.40	\$105.00	\$42.00
7/03/2008	EH	Forward CE email to MF with instructions for follow up	0.00	\$105.00	No Charge
			0.10		No Charge
7/03/2008	EH	Review merchant account information for American Express and Chase Paymentech and Process America; update Asset Summary Sheet tab	1.20	\$105.00	\$126.00
7/03/2008	EH	Telephone conference with Matthew Russell at 19 Communications to follow up on request for active customer data;	0.60	\$105.00	\$63.00

update Asset Summary Sheet

7/03/2008	EH	Update Asset Summary Sheet with information from SunTrust and Bank of America accounts; research Ebor Management to update information in Asset Summary Sheet for bank accounts and aircraft assets and Grayson Space details	2.70	\$105.00	\$283.50
7/03/2008	EH	Research Robinson Helicopter and Billy Moscow connection to Ebor and Barfield	1.20	\$105.00	\$126.00
7/03/2008	EH	Draft and send email to group regarding Asset Summary Sheet updates	0.00	\$105.00	No Charge
			0.40		No Charge
7/07/2008	EH	Discuss AMEX merchant reserve account notice with JC	0.10	\$105.00	\$10.50
7/07/2008	EH	Receive and review email from MF regarding flow of funds for Choice accounts; compare with processor information; draft and send email reply for clarification; receive and review email response from MF; send email to request full merchant account number data	0.30	\$105.00	\$31.50
7/07/2008	EH	Update and sort Asset Summary Sheet; format and populate summary tab	0.70	\$105.00	\$73.50
7/07/2008	EH	Confer with MS regarding unidentified bank accounts	0.00	\$105.00	No Charge
			0.10		No Charge
7/07/2008	EH	Coordinate access to DC Customer Service with MF and JC	0.00	\$105.00	No Charge
			0.10		No Charge
7/07/2008	EH	Update task list with additional tasks and latest priorities; assign tasks and email to team	1.10	\$105.00	\$115.50
7/07/2008	EH	Telephone conference with Matthew Russell at 19 Communications regarding afternoon appointment for conference call with Keith English; telephone conference with Matthew	0.20	\$105.00	\$21.00

		Russell to confirm time of conference call			
7/07/2008	EH	Review chargeback input process with MT	0.00	\$105.00	No Charge
			0.10		No Charge
7/07/2008	EH	Expand online filing system for identified individuals and assets; review Barfield SmartLinx report	0.40	\$105.00	\$42.00
7/07/2008	EH	Telephone conference with Keith English and Matthew Russell from 19 Communications	0.70	\$105.00	\$73.50
7/07/2008	EH	Receive and review email from Receiver regarding defense response to Interim Report; send email response for clarification; receive and review email response from Receiver with instructions; request forwarding of report from MS	0.40	\$105.00	\$42.00
7/07/2008	EH	Receive and review email failure message regarding email copied to Robb Evans staffers	0.10	\$105.00	\$10.50
7/07/2008	EH	Receive and review email from Matthew Russell requesting termination of all DC and DG customers rather than preserving small remainder of active users; forward email to Receiver for review with comments	0.80	\$105.00	\$84.00
7/07/2008	EH	Receive and review email from MS regarding Little & Co. subpoena objection	0.00	\$105.00	\$0.00
			0.20		No Charge
7/07/2008	EH	Receive and review email from MS regarding Rosenthal & Kaplan documents produced	0.00	\$105.00	No Charge
			0.20		No Charge
7/07/2008	EH	Discuss case update with RW; discuss processor chargeback liability issue with RW and JC	0.00	\$105.00	No Charge
			0.50		No Charge
7/07/2008	MF	Research expenses for JC that appear to be personal to determine if they were	7.00	\$145.00	\$1,015.00

paid out of the company account and if so how they were coded; open and sort mail from Roswell office; create flow chart for Choice Advantage and Choice Programs to show how money came into and flowed out of company accounts

7/08/2008	EH	Receive and review email from JC regarding William Moscow interview; send email reply for clarification	0.00	\$105.00	No Charge
			0.20		No Charge
7/08/2008	EH	Receive and review email from MS regarding possible airport hangar leasing companies at Gwinnett County airport	0.00	\$105.00	No Charge
			0.10		No Charge
7/08/2008	EH	Receive and review email from Receiver regarding message from Todd Leatherman; forward request to MS; receive and review email response from MS; telephone conference with Debbie in Todd Leatherman's office; send email follow up to Receiver	0.20	\$105.00	\$21.00
7/08/2008	EH	Review final draft of Choice Advantage and Choice Programs money flow with MF	0.20	\$105.00	\$21.00
7/08/2008	EH	Receive and review email from JC regarding whereabouts of JoAnn Winter's boat	0.10	\$105.00	\$10.50
7/08/2008	EH	Receive and review email from JC regarding Dennis Tyner interview task and Flying Dog references; draft and send email reply with copy to MF for follow up	0.20	\$105.00	\$21.00
7/08/2008	EH	Review latest pleadings by all parties; email notes to Receiver; discuss findings and conflicting information with JC and MF; update task list to reflect revised priorities; email list to team	2.10	\$105.00	\$220.50
7/08/2008	EH	Receive and review email from JC regarding Encore Marketing invoice for Bates-numbering; send email reply for clarification	0.00	\$105.00	No Charge

			0.10		No Charge
7/08/2008	EH	Receive and review email from Jonathan Olsson at Goodwin Proctor to follow up with Receiver regarding Litle & Co subpoena	0.00	\$105.00	No Charge
			0.10		No Charge
7/08/2008	EH	Receive and review email response from JC regarding Method Films; send email reply with questions for review; receive and review email reply from JC; research and send email reply	0.20	\$105.00	\$21.00
7/08/2008	EH	Receive and review emails from MF regarding plane location and Winter computer access; send email replies	0.00	\$105.00	No Charge
			0.20		No Charge
7/08/2008	EH	Receive and review email from JC regarding Kentucky Attorney General request for DC customer data; review database report access and discuss strategy for most efficient production of requested data	0.20	\$105.00	\$21.00
7/08/2008	EH	Receive and review email from Craig Rickard at Process America regarding documentation requested; draft and send email reply; receive and review email response from Craig Rickard; draft and send additional requests for account information; receive and review email response from Craig Rickard; draft and send email reply with clarification of request	1.20	\$105.00	\$126.00
7/08/2008	MF	Review latest filed pleadings; research ownership of DCC	2.50	\$145.00	\$362.50
7/08/2008	MF	Trace expenses for JC from bills or invoices to QuickBooks to determine if business funds were used to pay personal expenses; related to JoAnn Winter motion	0.50	\$145.00	\$72.50
7/09/2008	EH	Locate Flying Dog documents and Barfield agreements in Borenstein's office for review	0.20	\$105.00	\$21.00
7/09/2008	EH	Research status of Roswell office lease	0.30	\$105.00	\$31.50

		payment; draft and send email to Receiver regarding plan for Roswell office			
7/09/2008	EH	Draft and send email to Receiver with initial data regarding Kentucky Attorney General data request	0.00	\$105.00	No Charge
			0.30		No Charge
7/09/2008	EH	Receive and review email from MF regarding Borenstein email problem	0.00	\$105.00	No Charge
			0.10		No Charge
7/09/2008	EH	Review email from PMH regarding changes to dcconsulting.com server; send email reply with request for instruction on securing DC office computers	0.20	\$105.00	\$21.00
7/09/2008	EH	Create checklist for Roswell DC office visit	0.20	\$105.00	\$21.00
7/09/2008	EH	Review document copies from DC offices; update Asset Summary Sheet	1.70	\$105.00	\$178.50
7/09/2008	EH	Telephone conferences with Receiver to update on concerns regarding Roswell office remote access	0.00	\$105.00	No Charge
			0.20		No Charge
7/09/2008	EH	Collect mail from Roswell office mailbox; receive FedEx delivery of chargeback notices; troubleshoot office PCs to allow remote access by HLF personnel	0.50	\$105.00	\$52.50
7/09/2008	EH	Meet Jeff Smith to assess IT security concerns at Roswell office; resolve Borenstein email access; confirm Winter workstation availability; coordinate JC access to Dwight Roussell's workstation; telephone conferences with Receiver to discuss findings	0.90	\$105.00	\$94.50
7/09/2008	EH	Telephone conference with Craig Rickard at Process America regarding documentation request; clarify needs and timing of receipt	0.40	\$105.00	\$42.00
7/09/2008	EH	Work with Jeff Smith to assess external	2.00	\$105.00	\$210.00

access to Roswell DC office network;
review identification of equipment in
server room; locate customer record
specified in defense opposition motion
to review voice recording; discuss
access to database for production of
reports and cancellation processing;
make several attempts to hear voice
recording using different access points
and server configurations

7/09/2008	EH	Review emails from CE regarding Gwinnett County airport contacts and Roswell and Marietta office lease terminations; send follow up email to Receiver	0.20	\$105.00	\$21.00
7/09/2008	MF	Research ownership of Direct Connection and BBM Helicopters	3.00	\$145.00	\$435.00
7/09/2008	MF	Research Digicom sales after January 24 using QuickBooks	1.00	\$145.00	\$145.00
7/09/2008	MF	Look through QuickBooks and April/May bank statements for money received from Pine Tree for sale of Digicom assets	1.00	\$145.00	\$145.00
7/09/2008	MF	Research aircraft on asset list on internet and on computers at Roswell office	1.00	\$145.00	\$145.00
7/09/2008	MF	Research JoAnn Winter's notary appointment	1.00	\$145.00	\$145.00
7/09/2008	MF	Search through JoAnn Winter's email for rebuttal to defense attorney	1.00	\$145.00	\$145.00
7/09/2008	EH	Receive and review email response from PMH regarding remote access concerns; send email update reply	0.00	\$105.00	No Charge
			0.20		No Charge
7/10/2008	EH	Receive and review email from MF regarding email access at Roswell DC office; send email reply and receive response	0.00	\$105.00	No Charge
			0.10		No Charge
7/10/2008	EH	Discuss Flying Dog and Dennis Tyner connection with JC; discuss proposed	0.20	\$105.00	\$21.00

Ebor agreement with Barfield

7/10/2008	EH	Review draft of First Interim Application; draft and send email update to Receiver; forward to MS for completion of exhibits; discuss updates with MS	2.00	\$105.00	\$210.00
7/10/2008	EH	Telephone conference with Brittany at Process America to schedule conference call with Craig Rickard; telephone conference with Brittany regarding Craig Rickard's delayed arrival; telephone conference with Craig Rickard regarding status of documentation; receive and review email from Craig Rickard with account numbers and retention data; prepare for Bates-numbering and forward to MT for processing; update Asset Summary Sheet with reserve balance amounts and Process America account numbers	1.00	\$105.00	\$105.00
7/10/2008	EH	Receive and review email from JC regarding injured consumer; look up account information in database log; send email reply	0.00	\$105.00	No Charge
			0.20		No Charge
7/10/2008	EH	Receive and review email from MF regarding validity of JoAnn Winter's notary seal	0.00	\$105.00	No Charge
			0.10		No Charge
7/10/2008	EH	Receive and review email from JC regarding Fight Universe	0.00	\$105.00	No Charge
			0.10		No Charge
7/10/2008	EH	Receive and review email from Receiver regarding case update and FTC request regarding Arkansas customer	0.00	\$105.00	No Charge
			0.10		No Charge
7/10/2008	EH	Receive and review email response from Receiver regarding Kentucky Attorney General request for customer data; draft and send email with spreadsheet to KY AG	0.80	\$105.00	\$84.00
7/10/2008	EH	Receive and review email from Jeff Smith regarding availability to review method for halting DC's automatically	0.30	\$105.00	\$31.50

generated nightly billing emails; receive
and review email confirmation response

7/10/2008	EH	Discuss voicemail log update with JC	0.00 0.10	\$105.00	No Charge No Charge
7/10/2008	EH	Receive and review email from MF regarding DC ownership split; review attached documents	0.30	\$105.00	\$31.50
7/10/2008	EH	Update task list; send email to JC regarding Kentucky name search; review and update Asset Summary Sheet; send email of priorities to MF and JC	0.90	\$105.00	\$94.50
7/10/2008	EH	Telephone conference with Craig Welin regarding frozen reserve accounts at First Data; draft and send email to Craig Welin with National Merchant Center subpoena attachment	0.90	\$105.00	\$94.50
7/10/2008	EH	Receive and review voicemail message from Joanne Quintana at VISA USA regarding verification of processor memberships; telephone conference with Joanne Quintana to discuss message	0.20	\$105.00	\$21.00
7/10/2008	EH	Telephone conference with Receiver to discuss current tasks and prioritize research on opposition responses	0.00 0.20	\$105.00	No Charge No Charge
7/10/2008	EH	Receive and review email from JC regarding interview with Todd Cormack	0.10	\$105.00	\$10.50
7/10/2008	MF	Search Borenstein's and Winter's computer for rebuttal to defense attorney; send documentation found back to office regarding ownership of DCC, airplanes, and helicopter purchase	4.50	\$145.00	\$652.50
7/11/2008	EH	Review Litle & Co. Payment Processing Agreement	0.50	\$105.00	\$52.50
7/11/2008	EH	Telephone conference with JC to discuss nightly report curtailment	0.00 0.20	\$105.00	No Charge No Charge

7/11/2008	EH	Telephone conference with Receiver to discuss batch processing cancellation	0.00	\$105.00	No Charge
			0.10		No Charge
7/11/2008	EH	Telephone conference with JC to discuss Fight Universe and Kentucky Attorney General data request	0.00	\$105.00	No Charge
			0.20		No Charge
7/11/2008	EH	Discuss findings on Timothy Walters and Grayson Space with MF; print Timothy Walters and Brian Hosch contact details for forwarding to JC; review Kim Jenkins documents with MF; review Digicom sales emails with MF; revise plan for further review	0.50	\$105.00	\$52.50
7/11/2008	EH	Visit Roswell office landlord to discuss July rent and plumbing issues	0.30	\$105.00	\$31.50
					<hr/>
					Total Fees \$22,783.50
					<hr/>
Total New Charges					\$22,783.50
Previous Balance					\$17,700.50
8/13/2008	Payment	Pat Huddleston			\$-17,700.50
					<hr/>
Total Payments and Credits					\$-17,700.50
					<hr/>
Balance Due					<u>\$22,783.50</u>

Staff Summary

Name	Hours	Rate
Eric Henningson	101.40	\$105.00
Michelle Fox	83.70	\$145.00